



## *Report to the Auburn City Council*

Action Item

3

Agenda Item No.

City Manager's Approval

**To:** Mayor and City Council  
**From:** Robert Richardson, City Manager  
**Date:** July 22, 2013  
**Subject:** Contract for Interim Finance Director

### **The Issue**

Shall the City Council, by Resolution, approve a contract for Interim Finance Director with Anna Jatczak?

### **Conclusion and Recommendation**

That the City Council, by RESOLUTION, approve the contract for Interim Finance Director with Anna Jatczak.

### **Background**

With the resignation of Administrative Services Director Andy Heath, the City has begun the recruitment process for his replacement. This is a process that can easily take 120 days or more, and during that period the City is still in need of high level financial services. Therefore, I am recommending the approval of the attached contract for Anna Jatczak as Interim Finance Director. This agreement is intended to stay in effect until a permanent Director is selected and ready for employment with the City.

### **Alternatives**

1. That the City go without a Finance Director.
2. Other contractual arrangements are made for financial services.

### **Fiscal Impact**

There are no new financial impacts with this contract. All costs are already within the scope of the approved budget.

### **Attachments**

Resolution & Contract

**EMPLOYMENT AGREEMENT  
BETWEEN THE CITY OF AUBURN AND ANNA JATCZAK**

**RECITAL**

1. On July 22<sup>nd</sup>, 2013, the City Council selected Anna Jatzak (hereafter "Interim Finance Director") to serve as Interim Finance Director of the City of Auburn ("City"), subject to approval of an employment agreement between City and Interim Finance Director. Accordingly, the parties agree as follows:

**AGREEMENT**

**2. Effective Date**

This agreement shall become effective when it has been executed by Interim Finance Director and duly approved by the City Manager, which in no event shall be later than July 15, 2013.

**3. Term of Employment**

The Interim Finance Director serves at the pleasure of City Council and on an "at will" basis during the term of this agreement, subject to the terms and provision of this agreement as set forth below.

**4. Duties; Hours of Work**

A. Interim Finance Director shall perform those functions and duties specified by State law, the Auburn Municipal Code and by formal direction of the City Council. Interim Finance Director shall perform such duties in accordance with the highest professional and ethical standards of the finance director profession. Interim Finance Director shall not engage in any activity, which is, or which may become, incompatible with the office of finance director, as provided for by State law. During the term of this agreement, Interim Finance Director shall be exclusively employed by the City, unless prior authorization otherwise is received from the City Council, which authorization will not be unreasonably withheld.

B. Interim Finance Director shall maintain a regular work schedule consistent with that approved for other management employees of the City. Interim Finance Director's duties may involve expenditures of time in excess of eight (8) hours per day and/or forty (40) hours per week, and may also include time outside normal

office hours such as attendance at City Council meetings. Interim Finance Director shall not be entitled to additional compensation for such time.

**5. Compensation**

On and after July 15, 2013, Interim Finance Director's salary shall be \$9,544.

**6. Health Insurance**

City shall pay the full premium for health insurance for Interim Finance Director, including her eligible dependents, for health coverage under the same health plan offered to City employees.

**7. Life Insurance**

City shall not provide life insurance.

**8. Management Administrative Leave**

Interim Finance Director shall not be entitled to management administrative leave.

**9. Annual Vacation Leave**

Interim Finance Director shall be entitled to fifteen days' annual vacation leave. Interim Finance Director may receive equivalent cash compensation, in full or in part, at any time during the year for unused leave. For vacation leave of more than one week at a time, Interim Finance Director must provide sufficient notice of her intended vacation absence so that the Council may approve such absence in order to avoid an extended absence of the Interim Finance Director during critical time periods.

**10. Other Leaves and Benefits**

All other personal leave, family leave, funeral leave, or sick leave shall be as provided to other management employees of the City. City shall afford Interim Finance Director such other benefits as are provided to other management employees of the City on the same terms as provided to those employees except as otherwise expressly provided herein.

**12. Professional Memberships & Meetings; Other Expenses**

A. City shall not pay for Interim Finance Director's professional memberships.

**13. Retirement Program**

City shall provide the same PERS retirement benefits to Interim Finance Director as are received by other management employees of the City.

**14. Annual Performance Evaluation**

The City Council shall evaluate Interim Finance Director's performance at least once annually, assuming the Interim Finance Director is employed by the City for one or more years. The City Council and Interim Finance Director shall annually develop mutually agreeable performance goals and criteria which the City Council shall use in reviewing Interim Finance Director's performance in the following year. It shall be Interim Finance Director's responsibility to initiate this review each year, if applicable. Interim Finance Director will be afforded an adequate opportunity to discuss each evaluation with the City Council.

**15. Indemnification**

City shall defend, hold harmless and indemnify Interim Finance Director against any claim, demand, judgment, or action of any type or kind arising within the course and scope of Interim Finance Director's employment to the extent required by Government Code Sections 825 and 995.

**16. Other Terms and Conditions of Employment**

A. The City Council may from time to time fix other terms and conditions of employment relating to the performance of Interim Finance Director, provided such terms and conditions are not inconsistent with or in conflict with the provision of this Agreement, the Auburn Municipal Code, or other applicable law.

B. The provisions of the City's Personnel Rules and Regulations ("Rules") shall apply to Interim Finance Director to the extent they explicitly apply to the position of Finance Director, except that if the specific provisions of this Agreement conflict with the Rules, the terms of this Agreement shall prevail. Without limiting the generality of the exception noted in the previous sentence, however, no provision of the Rules or this

Agreement shall confer upon Interim Finance Director a property right in her employment or a right to be discharged only upon cause. Interim Finance Director is an at-will employee serving at the pleasure of the City Council and may be dismissed at any time with or without cause, subject only to the provisions of this Agreement.

C. The City intends for Interim Finance Director to serve in that position only as long as it takes for the City to locate and hire a permanent Finance Director. Interim Finance Director may be terminated at any time, with or without cause, before the City hires a permanent Finance Director, in accordance with the terms of paragraphs 17 and 18 of this Agreement.

D. Interim Finance Director shall be exempt from paid overtime compensation and from Social Security taxes other than the mandatory Medicare portion of such taxes.

#### **17. Termination Without Cause**

The City Council may terminate Interim Finance Director's employment with the City at any time and without cause, upon thirty days' written notice to Interim Finance Director.

#### **18. Termination With Cause**

The City Council may terminate Interim Finance Director's employment with City for cause, upon thirty days' written notice to Interim Finance Director. In the event of termination of employment for cause, City shall have no obligation to continue the employment of Interim Finance Director and shall have no obligation to provide any severance compensation. For purposes of this agreement, the term "for cause" shall include any of the following: (a) use of alcohol or drugs that impedes performance of duties; (b) conviction of a felony, or misdemeanor involving moral turpitude (a plea or verdict of guilty or a conviction following a plea of nolo contendere is deemed a conviction for this purpose); (c) a proven claim of either sexual harassment or abuse of employees in violation of law or adopted City policy; (d) willful and repeated failure to carry out the lawful directives or policy decisions of the City Council; or (e) willful abandonment of the position or continued and unexcused absence from duty.

**19. Voluntary Termination**

Interim Finance Director may voluntarily terminate her employment, by resignation or retirement, at any time during the term of this agreement, subject to at least thirty days' written notice by Interim Finance Director to City. In such case, City shall have no further obligation to provide payments and benefits upon the effective date of termination of employment.

**20. Compliance With Law**

This agreement is subject to all applicable provisions of State and Federal law and to the provisions of the Auburn Municipal Code.

**21. General Provisions**

A. This Agreement constitutes the entire agreement between the parties. City and Interim Finance Director hereby acknowledge that they have neither made nor accepted any other promise or obligation with respect to the subject matter of this Agreement.

B. If any provision or any portion of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of the Agreement shall be deemed severable and shall not be affected and shall remain in full force and effect.

C. Any notice to City pursuant to this Agreement shall be given in writing, either by personal service or by registered or certified mail, postage prepaid, addressed as follows:

City Manager  
City of Auburn  
125 Lincoln Way, Room 9  
Auburn, CA 95603-5004.

With a courtesy copy to:

Michael G. Colantuono, Esq.  
Auburn City Attorney  
11364 Pleasant Valley Road  
Penn Valley, CA 95946-9000.

Any notice to Interim Finance Director shall be given in a like manner, and, if mailed, shall be addressed to Interim Finance Director at the address then shown in City's personnel records. For the purpose of determining compliance with any time limit stated in this Agreement, a notice shall be deemed to have duly given (a) on the date of delivery, if served personally, or (b) on the second (2nd) calendar day after mailing, if mailed.

D. If an action at law or in equity is necessary to enforce or interpret this Agreement, the prevailing party in that action shall be entitled to reasonable and actual attorneys' fees and costs with respect to the prosecution or defense of the action.

E. A waiver of any of the terms and conditions of this Agreement shall not be construed as a general waiver and either party shall be free to enforce any term or condition of this Agreement with or without notice to the other notwithstanding any prior waiver of that term or condition.

## 21. Amendments

This represents the entire agreement between the parties. Amendments to this agreement may be made at such times as approved by the City Council and Interim Finance Director and shall be in writing.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Robert Richardson, City Manager

Dated: \_\_\_\_\_

\_\_\_\_\_  
Anna Jatczak

Approved as to form:

\_\_\_\_\_  
Michael G. Colantuono  
City Attorney

Dated: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Stephanie L. Snyder  
City Clerk

Dated: \_\_\_\_\_



1 RESOLUTION NO. 13-

2 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN  
3 ADOPTING EMPLOYMENT AGREEMENT WITH INTERIM FINANCE DIRECTOR  
4 ANNA JATCZAK  
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5 THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

6  
7 That the City Council of the City of Auburn hereby approves an employment  
8 agreement with Anna Jatczak, Interim Finance Director.

9 A true and correct copy of the employment agreement is attached hereto as  
10 Exhibit "A".

11  
12 The City Manager is authorized and directed to execute the employment  
13 agreement on behalf of the City of Auburn.

14  
15 DATED: July 22, 2013

16  
17 \_\_\_\_\_  
Kevin Hanley, Mayor

18 ATTEST:

19  
20 \_\_\_\_\_  
Stephanie L. Snyder, City Clerk

21  
22 I, Stephanie L. Snyder, City Clerk of the City of Auburn, hereby certify  
23 that the foregoing resolution was duly passed at a regular meeting of the City  
24 Council of the City of Auburn held on the 22<sup>nd</sup> day of July, 2013 by the  
following vote on roll call:

25 Ayes:

26 Noes:

27 Absent:

28 \_\_\_\_\_  
Stephanie L. Snyder, City Clerk

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